

**BNCCORP, INC.**  
**322 East Main Avenue**  
**Bismarck, North Dakota 58501**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**  
**June 24, 2021**

Notice is hereby given that the 2021 annual meeting of stockholders (the “Annual Meeting”) of BNCCORP, INC., a Delaware corporation (“BNC” or the “Company”), will be held at 8:30 a.m. (Central Daylight Time) on Thursday, June 24, 2021. This year’s Annual Meeting will be a completely “virtual meeting” of stockholders. You will be able to attend, vote and submit your questions during the Annual Meeting via a live webcast by visiting [www.virtualshareholdermeeting.com/BNCC2021](http://www.virtualshareholdermeeting.com/BNCC2021) and entering the 16-digit control number on the proxy card that accompanied the proxy materials that you received in the mail or in the voter instructions that you received from your broker if you hold your shares in a brokerage account in your broker’s name. Prior to the Annual Meeting, you will be able to vote at [www.proxyvote.com](http://www.proxyvote.com). During the Annual Meeting, stockholders will be asked to:

1. Elect two directors;
2. Ratify the appointment of CliftonLarsonAllen LLP as BNC’s independent auditor for the year ending December 31, 2021; and
3. Consider any other business that may properly come before the meeting.

The Board of Directors has set the close of business on Monday, April 26, 2021 as the Record Date for the determination of the stockholders entitled to notice of and to vote at the Annual Meeting or any adjournments.

You are cordially invited to attend the meeting. However, whether or not you plan to attend the virtual Annual Meeting, please vote as soon as possible. Please vote by completing, signing and dating the enclosed proxy card and returning it in the accompanying pre-postage paid return envelope or you may follow the instructions for voting over the Internet or telephone described in the accompanying Proxy Statement if that option is available to you. You may vote during the Annual Meeting by following the instructions in the accompanying Proxy Statement. You can revoke a proxy at any time prior to its exercise at the meeting by following the instructions in the accompanying Proxy Statement. You will have the ability to submit questions during the Annual Meeting via the virtual meeting website.

By Order of the Board of Directors

Tracey Herschman  
*Corporate Secretary*

Bismarck, North Dakota  
May 7, 2021

**Important notice regarding the availability of proxy materials for the 2021 Annual Meeting of Stockholders:** This Notice of Annual Meeting of Stockholders, the Proxy Statement for the 2021 Annual Meeting of Stockholders and the Company’s Annual Report for the fiscal year ended December 31, 2020 are available at [www.proxyvote.com](http://www.proxyvote.com) and on the website of the OTCQX at <https://www.otcmarkets.com>.

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**BNCCORP, INC.**  
**322 EAST MAIN AVENUE**  
**BISMARCK, NORTH DAKOTA 58501**

**PROXY STATEMENT**  
**ANNUAL MEETING OF STOCKHOLDERS**

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**GENERAL INFORMATION**

**MEETING INFORMATION; RECORD DATE; ACCESSING VIRTUAL MEETING**

This Proxy Statement is furnished to holders of the common stock of BNCCORP, INC., a Delaware corporation (“BNC” or the “Company”), in connection with the solicitation by the BNCCORP, INC. Board of Directors (the “Board” or the “Board of Directors”) of proxies for use at the annual meeting of stockholders of BNC to be held at 8:30 a.m. (Central Daylight Time) on June 24, 2021 (the “Annual Meeting”). This year’s Annual Meeting will be a completely “virtual meeting” of stockholders. Stockholders as of the close of business on April 26, 2021 (the “Record Date”) are entitled to attend, vote and submit questions at the virtual Annual Meeting via a live webcast by visiting [www.virtualshareholdermeeting.com/BNCC2021](http://www.virtualshareholdermeeting.com/BNCC2021) and entering the 16-digit control number on the proxy card that accompanied their proxy materials in the mail or, if they hold their shares through a brokerage account in the name of their broker, in the voting instructions provided by their broker. On the Record Date, there were 3,545,356 shares of common stock issued and outstanding and entitled to vote.

**MAILING DATE**

This Proxy Statement and BNC’s 2020 Annual Report are being mailed to each stockholder of record and to each beneficial owner holding shares through the BNC 401(k) Plan or through a custodial account at BNC on the Record Date commencing on or about May 7, 2021 (the “Mailing Date”).

**HOUSEHOLDING AND OBTAINING ADDITIONAL COPIES OF MEETING MATERIALS AND ANNUAL REPORT**

This year we are mailing a single copy of the Proxy Statement and the 2020 Annual Report to any household at which two or more stockholders reside unless we receive contrary instructions from the impacted stockholder prior to the Mailing Date. If you received multiple sets of proxy materials, please vote each proxy card that you receive so that all of your shares are voted. We agree to deliver promptly, upon written or oral request, a separate copy of the proxy materials, as requested, to any stockholder at the shared address to which a single copy of these documents was delivered. If you prefer to receive separate copies of the Proxy Statement or 2020 Annual Report, contact Broadridge Financial Solutions, Inc. by calling 1-866-540-7095 or in writing at 51 Mercedes Way, Edgewood, New York 11717, Attention: Household Department. In addition, if you currently are a stockholder who shares an address with another stockholder and would like to receive only one copy of future notices and proxy materials for your household, you may notify your broker if your shares are held in a brokerage account or you may notify us if you hold registered shares. Registered stockholders may notify us by contacting Broadridge Financial Solutions, Inc. at the above telephone number or address.

**HOW TO VOTE, CONTROL NUMBERS**

If you are a registered stockholder or you are a beneficial owner holding shares through the BNC 401(k) Plan or through a custodial account at BNC, you may:

- VOTE BY INTERNET
  - *Before the Meeting* at [www.proxyvote.com](http://www.proxyvote.com). Use the Internet to transmit your voting instructions and for electronic delivery of information up until 10:59 p.m. (Central Daylight Time) on June 23, 2021. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

- *During the Annual Meeting* at [www.virtualshareholdermeeting.com/BNCC2021](http://www.virtualshareholdermeeting.com/BNCC2021). You may attend the Annual Meeting via the Internet and vote during the Annual Meeting. Have the information that is printed in the box marked by the arrow on the proxy card available and follow the instructions.
- **VOTE BY PHONE**
  - Use any touch-tone telephone to call 1-800-690-6903 to transmit your voting instructions up until 10:59 p.m. (Central Daylight Time) on June 23, 2021. Have your proxy card in hand when you call and then follow the instructions.
- **VOTE BY MAIL**
  - Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

If you hold your shares in a brokerage account in your broker's name you should follow the voting instructions of your broker:

- You may complete and mail the voting instruction form to your broker;
- If the broker allows, you may submit voting instructions by telephone or the Internet; or
- You may also cast your vote in real time during the Annual Meeting, after you log-in by entering the 16-digit control number on the voter instruction form that you received from your broker at [www.virtualshareholdermeeting.com/BNCC2021](http://www.virtualshareholdermeeting.com/BNCC2021).

## **ASSISTANCE DURING ANNUAL MEETING**

The virtual Annual Meeting will begin promptly at 8:30 a.m. (Central Daylight Time). You may log in beginning at 8:15 a.m. We encourage you to log into the virtual Annual Meeting prior to the start time. If you encounter any technical difficulties accessing the virtual Annual Meeting or during the Annual Meeting, please go to [www.virtualshareholdermeeting.com](http://www.virtualshareholdermeeting.com) for frequently asked questions and click on the support button for assistance or please call the technical support number on the virtual meeting site. The virtual meeting site is supported on browsers (e.g., Internet Explorer, Firefox, Chrome and Safari) and devices (desktops, laptops, tablets and cell phones) running the most updated version of applicable software and plugins. Each participant should ensure strong Wi-Fi or other internet connection.

Support will be available starting at 8:15 a.m. on the date of the Annual Meeting and will remain available until the Annual Meeting has finished. You will have the ability to submit questions during the Annual Meeting via the virtual meeting website at [www.virtualshareholdermeeting.com/BNCC2021](http://www.virtualshareholdermeeting.com/BNCC2021).

## **QUORUM REQUIRED**

The presence, in person (which includes stockholders who attend the Annual Meeting via the virtual meeting website) or by proxy, of a majority of the issued and outstanding shares of common stock entitled to vote at the virtual Annual Meeting is necessary to constitute a quorum. Stockholders are urged to vote as soon as possible.

## **VOTING BY PROXIES**

All shares of common stock will be voted in accordance with each stockholder's directions. If no directions are given, shares will be voted FOR the director nominees and FOR the ratification of the independent auditor. Granting the enclosed proxy does not affect the right to vote remotely at the virtual Annual Meeting.

## **REVOKING OR CHANGING VOTES**

Any proxy given by a stockholder may be revoked at any time before it is voted at the 2021 Annual Meeting. If you are a registered holder or you are a beneficial owner holding shares through the BNC 401(k) Plan or through a custodial account at BNC, you may revoke or change your vote by:

- Filing a written revocation or a duly executed proxy card bearing a later date with the Corporate Secretary of the Company;
- By voting again by the telephone or Internet voting options described on the proxy card that you received by mail; or
- By casting your vote in real time during the Annual Meeting, after you log-in by entering the 16-digit control number on the proxy card that you received in the mail at [www.virtualshareholdermeeting.com/BNCC2021](http://www.virtualshareholdermeeting.com/BNCC2021).

If you hold your shares in a brokerage account in your broker's name, you may revoke or change your vote:

- Via telephone or the Internet, using the voting directions provide by your broker; or
- You may also cast your vote in real time during the Annual Meeting, after you log-in by entering the 16-digit control number on the voter instruction form that you received from your broker at [www.virtualshareholdermeeting.com/BNCC2021](http://www.virtualshareholdermeeting.com/BNCC2021).

The last valid vote that you submit will be the vote that is counted. Attendance at the virtual Annual Meeting, without voting, will not serve to revoke a previously submitted proxy.

## **VOTE REQUIRED, ABSTENTIONS**

At the Annual Meeting, each holder of shares of BNC common stock outstanding will be entitled to one vote for each share held of record. For Proposal 1, election of directors, votes may be cast "for" or "withheld" with respect to each nominee. Directors will be elected by a plurality of the votes cast at the Annual Meeting. A plurality means that the nominees with the largest number of votes cast "for" their election, up to the two directors to be chosen at the Annual Meeting, will be elected. Votes that are "withheld" will be excluded entirely from the vote and will have no effect, other than for purposes of determining the presence of a quorum. However, any nominee for director who receives a greater number of votes "withheld" from his or her election than votes "for" such election will, within 10 business days following certification of the stockholder vote, tender his or her resignation to the Board. See "CORPORATE GOVERNANCE — POLICY ON MAJORITY (PLURALITY-PLUS) VOTING IN THE ELECTION OF DIRECTORS". For Proposal 2, the ratification of the appointment of our independent auditors, approval requires the affirmative vote of the holders of a majority of the shares of common stock present in person or by proxy and entitled to vote on the subject matter.

Abstentions on a proposal will be treated as present for purposes of determining a quorum but will not be deemed to have voted for such proposal. If you own shares beneficially in "street name" and do not provide your broker with voting instructions, your shares may constitute "broker non-votes." Broker non-votes occur on a proposal when a broker is not permitted to vote on that proposal without instructions from the beneficial owner and instructions have not been given. If you hold shares through a broker, the broker may be prevented from voting shares held in a brokerage account unless you have given the broker voting instruction. Thus, if you hold your stock through a broker, it is critical that you cast your vote if you want it to count. Abstentions and broker non-votes will have no effect on the election of directors, provided a quorum is established. An abstention for Proposal 2 will have the same effect as a vote against the proposal. Brokers without instructions from beneficial owners may vote on Proposal 2, the approval of independent auditors.

## **RECORD DATE SHAREHOLDER LIST**

A list of BNCCORP stockholders of record as of the Record Date will be available for examination for 10 days prior to the Annual Meeting between the hours of 9:00 a.m. and 5:00 p.m. (Central Daylight Time) at our principal executive offices at 322 East Main Avenue, Bismarck, ND 58501. The Record Date stockholder list will also be available to stockholders during the Annual Meeting through the virtual meeting website ([www.virtualshareholdermeeting.com/BNCC2021](http://www.virtualshareholdermeeting.com/BNCC2021)).

## **CORPORATE GOVERNANCE**

The Board is committed to good corporate governance that promotes the long-term interests of BNC's stockholders and provides a strong, effective and efficient foundation for business operations and informed oversight and decision making.

### **COMPANY AND SUBSIDIARY BANK BOARD STRUCTURE**

In January 2020, as part of the Company's ongoing strategy to achieve an efficient and effective governance structure, eliminate redundant processes and meetings and allow the Board and its committees to focus on the most significant issues facing the Company, the Board established a modified mirror image Company/Bank board structure. Currently, all Company directors serve as directors of both the Company and the Company's wholly owned subsidiary, BNC National Bank (the "Bank"), and Dan Collins, Interim Chief Executive Officer and President of the Bank, serves on the board of directors of the Bank (the "Bank Board").

### **BOARD EVALUATION PROCESS**

The Board conducts an annual Board and committee self-evaluation facilitated by a third-party. The Nominating and Corporate Governance Committee oversees the evaluation process and reviews the evaluation format to ensure actionable feedback is solicited related to the operation of the Board and its committees. The third-party facilitator aggregates and summarizes responses, which are not attributed to specific directors in order to promote candor, and then reports the evaluation results to the Board Chair and the Nominating and Corporate Governance Committee. The Board Chair and the Nominating and Corporate Governance Committee review all ratings and comments to identify issues and to formulate actions items. The Board Chair and the Nominating and Corporate Governance Committee Chair, with the assistance of a third-party facilitator, provide a verbal report to the Board regarding the assessment results and the Board discusses potential issues or action items. The Board Chair and the Nominating and Corporate Governance Committee Chair then discuss any issues or action items agreed to by the Board with senior management if appropriate. As an outcome of the self-evaluation and discussions, the Board Chair, each committee chair, and senior management implement any agreed upon improvements.

### **BOARD ROLE IN RISK MANAGEMENT**

The Board has an active and ongoing role in risk management. Those risks include, without limitation, strategic, financial, credit, liquidity, compensation, information security, regulatory and operational risks, including risks to the safety and soundness of the Bank. The Board is responsible for the general oversight of risk management and does so through the full Board and its committees. Company management is responsible for assessing and managing risk through robust internal processes and effective internal controls and for providing the status of each category of Company risk, including risk to the Bank, through effective reporting to the Board and its committees. Given the critical link between strategy and risk, including strategic matters, the Board, with the input of management, reviews whether those strategies being considered are consistent with an assessment of the Company's overall risk tolerance, the related opportunities and the capacity to manage the resulting risk.

### **POLICY ON MAJORITY (PLURALITY-PLUS) VOTING IN THE ELECTION OF DIRECTORS**

The Company's bylaws provide that directors shall be elected by a "plurality" of the votes cast. A plurality means that the nominees with the largest number of votes cast "for" their election, up to the number of directors to be elected, will be elected as directors. In an uncontested election, the only nominees for election are those persons nominated by the Board.

The Board has adopted a Policy on Majority (Plurality-Plus) Voting that provides that in an uncontested election of directors, any nominee who receives a greater number of votes "withheld" from his or her election than votes "for" his or her election will, within 10 business days following the certification of the stockholder vote, tender his or her written resignation to the Board. Such tendered resignation will be considered by the Nominating and Corporate Governance Committee taking into account any factors or other information it considers appropriate and relevant and, within 60 days following the date of the stockholders' meeting at which the election occurred, will make a recommendation to the Board concerning the acceptance or rejection of such resignation. The Board will take formal action on the Nominating and Corporate Governance Committee's recommendation no later than 90 days following the date of the stockholders' meeting at which the election occurred. The Board will consider the information, factors and alternatives considered by the

Nominating and Corporate Governance Committee and such additional factors, information and alternatives as the Board deems relevant.

Following the Board’s decision on the Nominating and Corporate Governance Committee’s recommendation, the Company, within four business days after such decision is made, will publicly disclose the Board’s decision, and, if applicable, the Board’s reasons for rejecting the tendered resignation.

No director who is required to tender his or her resignation shall participate in the Nominating and Corporate Governance Committee’s deliberations or recommendation, or in the Board’s deliberations or determination, with respect to accepting or rejecting his or her resignation as a director. If a majority of the members of the Nominating and Corporate Governance Committee are required to tender their resignations, then the independent directors who are not required to tender their resignations will appoint an ad hoc Board committee from amongst themselves, consisting of such number of directors as they may determine to be appropriate, solely for the purpose of considering and making a recommendation to the Board with respect to the tendered resignations. If such ad hoc committee would have been created but fewer than three directors would be eligible to serve on it, then the entire Board (other than the director whose resignation is being considered) will make the determination to accept or reject the tendered resignation without any recommendation from the Nominating and Corporate Governance Committee and without the creation of an ad hoc committee.

### PROPOSAL 1: ELECTION OF DIRECTORS

The Board consists of three classes as equal in number as possible, each having a three-year term of office, with one class being elected each year. As a result of Mr. Franz’s departure from the Board in 2020, the three classes consisted of one, two and three directors. In accordance with the requirements of the certificate of incorporation and the bylaws of the Company, the Board reduced the size of the Board from seven to six directors upon Mr. Franz’s departure from the Board and subsequently acted to transfer Mr. Redmann from the class of directors then consisting of three persons whose term would expire at the Annual Meeting to the class of directors then consisting of one director whose term will expire at the Company’s 2023 Annual Meeting of Stockholders. At the Annual Meeting, two directors will be elected to serve three-year terms, each to hold office until his successor is elected and qualified or until such director’s earlier resignation or removal.

The Board of Directors nominates **Gaylen Ghylin** and **John W. Palmer** for election as directors at the Annual Meeting. Unless you specify otherwise in your proxy card, your shares will be voted by the proxy holder FOR the election of Messrs. Ghylin and Palmer as members of the class to serve until the 2024 Annual Meeting of Stockholders. If any of the nominees to be elected become unavailable for any reason, the Board may reduce the size of the Board or votes may be cast pursuant to the accompanying form of proxy for a substitute nominee designated by the Board. The nominees have advised us that they will serve on the Board if elected. Information about the nominees is provided below.

#### DIRECTOR NOMINEES

<b>Name</b>	<b>Age</b>	<b>Director Biography</b>	<b>Board Committee Memberships</b>
Ghylin, Gaylen	73	<i>Mr. Ghylin</i> has served as a director on the BNCCORP, INC. Board of Directors since June 2003 and the BNC National Bank Board of Directors since January 2020. He previously served as Executive Vice President, Secretary and Chief Financial Officer of Tiller Corporation d/b/a Barton Sand & Gravel Co., Commercial Asphalt Co. and Barton Enterprises, Inc., since 1979, and as a director of the Tiller Corporation from 1980 until his retirement in 2017. Mr. Ghylin also serves on the Board of Directors of True Friends, a nonprofit organization that enriches the lives of nearly 4,000 children and adults with developmental, physical or learning disabilities. Mr. Ghylin’s term on the Board will expire in 2024.	Member of Audit Committee* and Compensation Committee
Palmer, John W.	60	<i>Mr. Palmer</i> was appointed to the BNCCORP, INC. Board of Directors in April 2019 and to the BNC National Bank Board of Directors in January 2020. Mr. Palmer is a co-founder and principal of PL Capital Advisors, LLC. PL Capital Advisors is a registered investment advisory firm specializing in the banking	Member of Compensation Committee* and Nominating and Corporate

Name	Age	Director Biography	Board Committee Memberships
		industry. Prior to co-founding PL Capital in 1996, Mr. Palmer was employed by KPMG LLP, an international public accounting firm, from 1983 to 1996. While at KPMG, Mr. Palmer specialized as an auditor and a strategic advisor to companies in the commercial banking, consumer finance, thrift, mortgage banking and discount brokerage industries, serving publicly and privately held clients ranging in size from \$25 million to \$25 billion in assets. Mr. Palmer has significant prior experience serving as a board member of banking companies including most recently BankFinancial Corporation, HF Financial Corp., and CFS Bancorp, Inc. He received a Bachelor of Accounting degree from Walsh College and is a Certified Public Accountant (status inactive). Mr. Palmer was appointed as a director pursuant to a Cooperation Agreement between the Company, the PL Capital Group (as defined below) and Mr. Palmer, dated as of April 8, 2019. For additional information regarding the Cooperation Agreement, see <i>Agreements with Stockholders: Cooperation Agreement</i> . Mr. Palmer’s term on the Board will expire in 2024.	Governance Committee

\*Chairman of the committee

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE “FOR” THE NOMINEES LISTED ABOVE.**

**CONTINUING DIRECTORS**

Name	Age	Director Biography	Board Committee Memberships
Brenna, Nathan P.	50	<i>Mr. Brenna</i> has served on the BNCCORP, INC. Board of Directors since September 2014 and on the BNC National Bank Board of Directors since January 2020. He is the owner of Brenna Farm and Ranch in northwestern North Dakota. Mr. Brenna, a former attorney, has a distinguished legal background having represented clients across the country for a decade at Anthony Ostlund & Baer, P.A. from 1997 to 2007. Mr. Brenna is active in community service. He is a member of the Keene Township Planning & Zoning Commission. Mr. Brenna’s term on the Board will expire in 2022.	Member of Nominating and Corporate Governance Committee* and Compensation Committee
Scott, Tracy J.	74	<i>Mr. Scott</i> has served as a director on the BNCCORP, INC. Board of Directors since 1987 and on the BNC National Bank Board of Directors since January 2020. He was previously Chairman of the BNCCORP, INC. Board from 1987-2007 and from 2013-2019. Mr. Scott serves on BNC National Bank’s Executive Credit Committee. He is a Certified Public Accountant (Inactive). Mr. Scott’s term on the Board will expire in 2022.	Member of Audit Committee and Nominating and Corporate Governance Committee
Redmann, Thomas	63	<i>Mr. Redmann</i> has been a director on the BNCCORP, INC. Board of Directors since September 2018 and a director on the BNC National Bank Board of Directors since January 2020. He retired from Bank of North Dakota (“BND”) in 2015 after 26 years, serving the last 15 years as BND’s Loan Manager with a focus on commercial activities. Throughout his BND career, he maintained responsibility for BND’s correspondent bank stock program. Prior to BND, Mr. Redmann worked for the North Dakota Office of Intergovernmental Assistance as the	Member of Audit Committee

Name	Age	Director Biography	Board Committee Memberships
Vekich, Michael M.	73	<p>economic development administrator of the Community Development Block Grant Program and began his career as a financial planner with John G. Kinnard and Company. Mr. Redmann received a Bachelor of Science in Business Administration from North Dakota State University in 1979 and a Master of Business Administration from the University of North Dakota in 1981. Mr. Redmann's term on the Board will expire in 2023.</p> <p><i>Mr. Vekich</i> was appointed to the BNCCORP, INC. Board of Directors in March 2017. He was named Chairman of the BNCCORP, INC. Board of Directors in December 2019 and Chairman and a director of the BNC National Bank Board of Directors in January 2020. Since 1998 through present, Mr. Vekich has been the Chief Executive Officer of Vekich Chartered, management advisors specializing in investment banking, strategic planning, repositioning organizations and governance. He was the Executive Chairman, President and Chief Executive Officer of Skyline Exhibits, designers of trade show exhibits from 2000-2010. In July 2017, Mr. Vekich was appointed by the Governor of Minnesota to serve as Chair of the Minnesota Sports Facilities Authority. Mr. Vekich is the immediate past Chair and a current member of the Board of Trustees of Minnesota State Colleges and Universities, Chair of the Managing Committee and Chair for CAP-HC and President of the National Association of Corporate Directors – Minnesota Chapter. He has significant prior experience serving as a board member for a number of banking companies, including serving as Chair of the board of directors of HF Financial Corp. and Chair of the board of its wholly owned subsidiary, Home Federal Bank, and is a founder and served on the board of directors of Tradition Capital Bank and the Bank Holding Company Association. Mr. Vekich received a Bachelor of Arts Degree in Accounting and Business Administration from the University of Minnesota and is a Certified Public Accountant; Certified Global Management Accountant; Certified Board Advisor; and holds a Certificate in Cybersecurity Oversight. Mr. Vekich's term on the Board will expire in 2023.</p>	<p>Chairman of the Board, Ex-Officio Member of each of Audit Committee, Compensation Committee and Nominating and Corporate Governance Committee</p>

\*Chairman of the committee

## EXECUTIVE OFFICERS WHO ARE NOT DIRECTORS

*Aeilts, Toby – Chief Credit Officer:* Mr. Aeilts has served as Chief Credit Officer since December 16, 2020. He served as BNC's Senior Credit Officer from January 2015 through December 2020. Prior to coming to BNC, Mr. Aeilts was a financial institution consultant for Eide Bailly, LLP for three years, and a federal bank examiner with the OCC and FDIC for 13 years prior to that.

*Brendel, Douglas – President Mortgage Banking:* Mr. Brendel has served as President Mortgage Banking for BNC National Bank since February 2016 and as EVP of Mortgage Lending from September 2010 to February 2016. He also served as BNC's Vice President of Mortgage Operations from May 2008 to September 2010. Mr. Brendel served on BNC National Bank's Board of Directors from September 2013 to January 2020. He serves on the Arrow Head Yacht Club Board of Directors.

*Cleveland, Shawn – Chief Operating Officer:* Ms. Cleveland has served as BNC National Bank's COO since September 1999 and as its Chief Compliance Officer since July 1995. She is a Certified Public Accountant and a Certified Regulatory Compliance Manager. She is active on several of BNC's operating committees and is the chair of the IT Steering Committee. Ms. Cleveland joined BNC in 1992 as an internal auditor. She served on the BNC National Bank Board of Directors from September 1999 until January 2020.

*Collins, Daniel – Interim President and Chief Executive Officer:* Mr. Collins has served as the Interim President and Chief Executive Officer of BNCCORP, INC. and BNC National Bank since July 6, 2020, previously serving as Chief Financial Officer since December 2013. Previously, Mr. Collins was employed by MoneyGram International where he served in the roles of Senior Vice President/Treasurer and Vice President-Internal Audit Director. Mr. Collins served as Corporate Controller of RBC Dain Rauscher, Inc. and Divisional CFO for the consumer products group at U.S. Bancorp. Mr. Collins also served ten years in Big Four public accounting exclusively serving financial services companies. Mr. Collins served on the BNC National Bank Board of Directors from May 2015 to January 2020 and rejoined that Board in July 2020 upon being appointed as the Interim President and Chief Executive Officer of BNC National Bank. He is also active in several of BNC's operating committees since joining the Company. Mr. Collins is a director/board member at the Jack Jablonski Believe in Miracles Foundation.

*Peiler, Mark E. – Interim Chief Financial Officer and Chief Investment Officer:* Mr. Peiler has served as Interim Chief Financial Officer of BNCCORP, INC. and BNC National Bank since July 6, 2020 and Chief Investment Officer of BNCCORP, INC. and BNC National Bank since December 2015, previously SVP-Chief Investment Officer from August 2005 to December 2015 and an Investment Officer from May 1998 to August 2005. Mr. Peiler served on the BNC National Bank Board of Directors from January 2006 to January 2020. He is active on several of BNC's operating committees, and chairs BNC's asset/liability management committee and trust investment committee. Mr. Peiler holds the Chartered Financial Analyst designation and is a director, and the past president, of CFA Society – Minnesota.

*Scott, Chad – President North Dakota Market:* Mr. Scott has served as President of BNC National Bank's North Dakota market since November 1, 2020. He joined BNC in January 1996 and served in many capacities in the commercial lending department prior to becoming President of the North Dakota market, most recently as Senior Vice President of Commercial Lending.

*Spillman, Scott – President Arizona Market:* Mr. Spillman joined BNC in May 2008 as President of BNC National Bank's Arizona market. Prior to BNC, he served as Senior Vice President-Business Development Officer at First National Bank of Arizona. Prior to his position at First National Bank of Arizona, he was Senior Vice President-Business Development Officer for Imperial Bank/Comerica Bank in Arizona. Mr. Spillman served on the BNC National Bank Board of Directors from January 2009 to January 2020. He also serves on the Glendale Chamber of Commerce Board of Directors.

## **DIRECTOR NOMINATIONS**

Recommendations for nominations of persons to serve as directors of the Company are made by the Nominating and Corporate Governance Committee of the Board and are approved by the entire Board. The Nominating and Corporate Governance Committee will also consider candidates for director suggested by other directors, as well as our management and stockholders. A stockholder who desires to recommend a prospective nominee for the Board must follow our procedures for stockholder nominations, which are described under "Stockholder Proposals, Nominations and Communications with the Board of Directors."

The Board believes that nominees to the Board must meet the following minimum qualifications: the nominee must have achieved significant success in business or have extensive financial expertise, must be committed to representing the long-term interests of the Company's stockholders, must have high ethical and moral standards and integrity and must satisfy applicable independence criteria. Additionally, the Board evaluates potential nominees by considering the following factors:

- whether the potential nominee has experience and expertise that is relevant to the Company's business, including any specialized business experience, technical expertise, or other specialized skills, and whether he or she has knowledge regarding issues affecting the Company;
- whether the potential nominee is free of any conflict of interest or the appearance of any conflict of interest with the Company's best interests and the best interests of the Company's stockholders, and whether he or she is willing and able to represent the interests of all of the Company's stockholders; and
- any factor affecting the ability or willingness of the potential nominee to devote sufficient time to Board activities and to enhance his or her understanding of the Company's business.

In addition, with respect to an incumbent director whom the Board is considering as a potential nominee for re-election, the Board reviews and considers the incumbent director's service to BNC during his or her term, including the

number of meetings attended, level of participation and overall contribution to BNC. The manner in which the Board evaluates a potential nominee will not differ based on whether the potential nominee is recommended by a stockholder of BNC. Each of the nominees for director at the Annual Meeting is a current director standing for re-election.

## **DIRECTOR INDEPENDENCE**

The Board has determined that each member of the Board is an “independent director” within the meaning of the NASDAQ corporate governance listing standards and the Company’s corporate governance policies.

## **BOARD OF DIRECTORS MEETINGS AND COMMITTEES**

There were twelve Board meetings in 2020. The Board has three standing committees: the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee, which are described below. During 2020, the Audit Committee met six times, the Compensation Committee met twice, and the Nominating and Corporate Governance Committee met three times. Each incumbent director named in this Proxy Statement who was a member of the Board in 2020 attended at least 75 percent of the meetings of the Board and Board committees on which each served in 2020.

**Executive Sessions.** The independent directors meet in “executive sessions” at which only independent directors are present. The independent directors hold at least one executive session at each regularly scheduled Board and committee meeting.

**Audit Committee.** The current members of the Audit Committee are Messrs. Ghylin, Redmann, Scott and Vekich, all of whom are independent under the listing standards of the NASDAQ Stock Market and under the OTCQX Market Rules. The Audit Committee is responsible for assisting the Board in its oversight of (i) the Company’s accounting and financial reporting processes; (ii) the integrity of the Company’s financial statements; (iii) the performance of the Company’s internal audit department and the internal audit process; (iv) the independence and performance of the Company’s independent auditors; and (v) compliance by the Company with legal and regulatory requirements. The Audit Committee has adopted a written charter and reviews and reassesses the adequacy of its charter on an annual basis. A copy of the Audit Committee’s charter is available on the Investor Relations section of the Company’s website at [www.bnccorp.com](http://www.bnccorp.com).

**Compensation Committee.** The members of the Compensation Committee are Messrs. Palmer, Ghylin, Brenna and Vekich, all of whom are independent under the listing standards of the NASDAQ Stock Market and under the OTCQX Market Rules. The Compensation Committee oversees the Company’s compensation and benefits programs and certain Company policies related to employment practices. The Compensation Committee has the authority to retain compensation consultants to assist in the evaluation of executive officer compensation and may delegate any of its responsibilities to subcommittees, so long as members of subcommittees are not members of management. The Compensation Committee has adopted a written charter and reviews and reassesses the adequacy of its charter on an annual basis. A copy of the Compensation Committee’s charter is available on the Investor Relations section of the Company’s website at [www.bnccorp.com](http://www.bnccorp.com).

**Nominating and Corporate Governance Committee.** The members of the Nominating and Corporate Governance Committee are Messrs. Brenna, Palmer, Scott and Vekich, all of whom are independent under the listing standards of the NASDAQ Stock Market and under the OTCQX Market Rules. The purposes of the Nominating and Corporate Governance Committee are to (i) identify and recommend to the Board individuals who are qualified to serve as directors of the Company and on committees of the Board; (ii) advise the Board with respect to Board composition, procedures and committees; and (iii) oversee the evaluation of the Board and any related matters required by applicable laws. The Nominating and Corporate Governance Committee has adopted a written charter and reviews and reassesses the adequacy of its charter on an annual basis. A copy of the Nominating and Corporate Governance Committee’s charter is available on the Investor Relations section of the Company’s website at [www.bnccorp.com](http://www.bnccorp.com).

## **DIRECTOR ATTENDANCE AT ANNUAL MEETINGS**

The Company does not have a written policy regarding director attendance at annual stockholder meetings, although all directors are encouraged to attend such meetings. All of the directors attended our 2020 Annual Meeting of Stockholders.

## CODE OF ETHICS

The Company has adopted a code of ethics and business conduct that applies to each of its employees, officers and directors, including its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A copy of the Company's code of ethics and business conduct is available on the Company's website at [www.bnccorp.com](http://www.bnccorp.com).

## RELATED PARTY TRANSACTIONS

In the ordinary course of business, BNC makes loans, including lines of credit, to the executive officers and directors of BNC, as well as affiliates of such persons. These loans are made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable loans with persons not related to BNC and do not involve more than the normal risk of collectability or present other unfavorable features. Additionally, BNC makes certain loans, including first mortgage loans, home equity loans and lines of credit, and home construction loans available to all employees, including executive officers. During 2020, BNC and Chad Scott, who became President of BNC's North Dakota market on November 1, 2020, became parties to a \$245,000 home equity line of credit bearing interest at 3% per annum. The highest principal amount outstanding on the line of credit during 2020 was \$244,500, \$5,087.05 in interest was paid on the line of credit in 2020, and, as of March 18, 2021, the principal balance of Mr. Scott's line of credit was \$200,000.

For additional information regarding related-party transactions, see Note 23 of the consolidated financial statements contained in the 2020 Annual Report.

## AGREEMENTS WITH CERTAIN STOCKHOLDERS

### *Cooperation Agreement*

PL Capital Agreement. On April 8, 2019, BNC entered into a Cooperation Agreement (the "Cooperation Agreement") with PL Capital, LLC, PL Capital Advisors, LLC, Goodbody/PL Capital, LLC, the PL Capital Funds, John W. Palmer, Richard J. Lashley, Martin Alwin, and Curtis Thompson (collectively, the "PL Capital Group") and John W. Palmer, in his capacity as a director of the Company. The PL Capital Group informed BNC that it beneficially owned, as of the date of the Cooperation Agreement, 340,800 shares of BNC's common stock, which represents approximately 9.61% of the outstanding shares as of the Record Date.

The Cooperation Agreement is effective from April 8, 2019 until the earlier of (i) the day after the Annual Meeting and (ii) the day after the PL Capital Designee (as defined below) shall voluntarily resign as a member of the Board (subject to certain exceptions) and the PL Capital Group has provided a written notice to the Company that it does not intend to designate a replacement of such PL Capital Designee. The Cooperation Agreement may be terminated prior to such date by either BNC or the PL Capital Group in the event the other has failed to cure any material breach within 15 days following notice of the breach.

Pursuant to the Cooperation Agreement, among other things, during the term thereof:

- The Board appointed Mr. Palmer as a director of the Company as of April 8, 2019, for a term expiring at the Annual Meeting.
- The PL Capital Group agreed to vote all the shares of BNC's common stock that it beneficially owns in favor of the election of BNC's slate of directors at the 2019 Annual Meeting of Stockholders (the "2019 Annual Meeting") and in favor of all other matters at the 2019 Annual Meeting, other than any "Extraordinary Transaction", as defined in the Cooperation Agreement.
- Mr. Palmer agreed to resign at the request of the Board of Directors if the PL Capital Group ceases to own at least 5.0% of the Company's then-outstanding shares of common stock or if the Board determines that any member of the PL Capital Group has materially breached the terms of the Cooperation Agreement.
- If, prior to the Annual Meeting, Mr. Palmer, or his successor (the "PL Capital Designee"), is unable or ceases to serve on the Board due to the PL Capital Designee's death or disability, then the PL Capital Group has the right to recommend a substitute person to fill the resulting vacancy, provided that the

replacement meets certain criteria. The appointment of the replacement director is subject to the approval of the Board after exercising its fiduciary duties, which approval may not be unreasonably withheld or delayed.

- The PL Capital Group agreed to certain provisions that restrict the PL Capital Group and its affiliates from, among other things, engaging in certain proxy solicitations, soliciting consents from stockholders, seeking to influence the voting of any of BNC's securities, making stockholder proposals, proposing or participating in certain extraordinary corporate transactions involving BNC, calling meetings of stockholders, seeking representation on the Board of Directors or nominating candidates for election to the Board of Directors other than as set forth in the Cooperation Agreement, seeking to remove any of BNC's directors or taking action to influence the Board of Directors or BNC's management or otherwise to exercise a controlling influence over the management and policies of BNC. These provisions were effective from the date of the Cooperation Agreement to the day immediately following the 2019 Annual Meeting.

A copy of the Cooperation Agreement is available on the Investor Relations section of the Company's website at [www.bnccorp.com](http://www.bnccorp.com).

#### ***Non-Disclosure and Standstill Agreements***

**Johnson Agreement.** On February 7, 2020, BNC entered into a Non-Disclosure and Standstill Agreement (the "Johnson Agreement") with Kenneth Hilton Johnson ("Mr. Johnson"). The Johnson Agreement states that, as of the date of the Johnson Agreement, Mr. Johnson beneficially owned 491,287 shares of BNC's common stock, which would represent 13.86% of the outstanding shares of BNC's common stock as of the Record Date.

Pursuant to the Johnson Agreement, among other things:

- Mr. Johnson agreed, subject to the terms and conditions set forth in the Johnson Agreement, to not disclose and keep confidential certain confidential information that he had or might receive from BNC. These confidentiality and non-disclosure provisions are effective as of the date of the Johnson Agreement through the date that is two years after the termination of the Johnson Covered Period (as defined below) subject to a longer period for trade secrets of the Company or the Bank.
- Mr. Johnson agreed to certain provisions that restrict Mr. Johnson or his affiliates from, among other things, entering into transactions that would increase his beneficial ownership in BNC's common stock, engage in certain proxy solicitations, soliciting consents from stockholders, participate in any group or enter into any voting agreement, seek to influence the voting of any BNC securities, proposing or participating in certain extraordinary transactions involving BNC, calling meetings of stockholders, seeking representation on the Board, nominating candidates for election to the Board, seeking to remove any of BNC's directors, or taking action to influence the Board or BNC's management or otherwise to exercise a controlling influence over the management and policies of BNC. These provisions are effective from the date of the Johnson Agreement to the day that is thirty (30) days prior to the expiration of the notice period specified in the Company's bylaws related to the nominations of directors at the Company's 2022 Annual Meeting of Stockholders (the "Johnson Covered Period").

**Rangeley Agreement.** On March 19, 2020, BNC entered into a Non-Disclosure and Standstill Agreement (the "Rangeley Group Agreement") with Christopher DeMuth, Jr., Rangeley Capital Partners, LP, Rangeley Capital Partners II, LP and Rangeley Capital, LLC (collectively, the "Rangeley Group"). The Rangeley Group Agreement states that, as of the date of the Rangeley Group Agreement, the Rangeley Group beneficially owned 246,569 shares of BNC's common stock, which would represent 6.95% of the outstanding shares of BNC's common stock as of the Record Date.

Pursuant to the Rangeley Group Agreement, among other things:

- The Rangeley Group agreed, subject to the terms and conditions set forth in the Rangeley Group Agreement, to not disclose and keep confidential certain confidential information that it had or might receive from BNC. These confidentiality and non-disclosure provisions are effective as of the date of the Rangeley Group Agreement through the date that is two years after the termination of the Rangeley Group Covered Period (as defined below) subject to a longer period for trade secrets of the Company or the Bank.

- The Rangeley Group agreed to certain provisions that restrict the Rangeley Group from, among other things, entering into transactions that would increase its beneficial ownership in BNC's common stock to more than 7% of the then outstanding shares of BNC common stock, engage in certain proxy solicitations, soliciting consents from stockholders, participate in any group or enter into any voting agreement, seek to influence the voting of any BNC securities, proposing or participating in certain extraordinary transactions involving BNC, calling meetings of stockholders, seeking representation on the Board, nominating candidates for election to the Board, seeking to remove any of BNC's directors, or taking action to influence the Board or BNC's management or otherwise to exercise a controlling influence over the management and policies of BNC. These provisions were effective from the date of the Rangeley Group Agreement to the day that was thirty (30) days prior to the expiration of the notice period specified in the Company's bylaws related to the nominations of directors at the Annual Meeting (the "Rangeley Group Covered Period").

## AUDIT COMMITTEE REPORT

Management has the primary responsibility for the Company's internal controls and financial reporting process. The independent registered public accountants are responsible for performing an independent audit of the Company's consolidated financial statements in accordance with the standards of the American Institute of Certified Public Accountants ("AICPA") and issuing an opinion thereon. The Audit Committee's responsibility is to monitor and oversee these processes. As part of its ongoing activities, the Audit Committee has:

- reviewed and discussed with management the Company's audited consolidated financial statements for the fiscal year ended December 31, 2020;
- discussed with the independent registered public accountants the matters required to be discussed by the applicable requirements of AU-C Section 260 of the AICPA (Auditor's Communication With Those Charged with Governance) and by 12 CFR 363.3(d) (Communications with audit committee).
- received the disclosures from the independent registered public accountants required by the applicable requirements of the AICPA and other professional and regulatory standards affirming the independent registered public accountants' independence and has discussed the independent registered public accountants' independence with the independent registered public accountants.

Based on the review and discussions referred to above, the Audit Committee recommended to the Board that the audited consolidated financial statements be included in the Company's Annual Report for the fiscal year ended December 31, 2020 and distributed to stockholders of the Company.

### THE AUDIT COMMITTEE

Gaylen Ghylin, Committee Chairman  
 Thomas Redmann  
 Tracy J. Scott  
 Michael M. Vekich

## EXECUTIVE COMPENSATION

### *Summary Compensation Table*

The following table sets forth a summary of certain information concerning the compensation paid by the Company for services rendered to our Interim President and Chief Executive Officer; each of our two other most highly compensated executive officers acting as of December 31, 2020; our former President and Chief Executive Officer, Timothy J. Franz; and our former Chief Legal Officer, Cheryl Stanton. We refer to these five executives as our Named Executive Officers in this Proxy Statement.

SUMMARY COMPENSATION TABLE						
Name and principal position	Year	Salary (\$)	Bonus (\$)	Equity Awards	All other compensation	Total (\$)
					(\$)	
Daniel Collins Interim President and Chief Executive Officer	2020	257,000	105,000	-	24,725(1)	386,725
Timothy J. Franz Former President and Chief Executive Officer	2020	209,246	-	45,188	444,626(2)	699,060
	2019	406,000	14,000	-	32,939	452,939
Douglas Brendel President Mortgage Banking	2020	240,000	675,000	-	88,044(3)	1,003,044
	2019	235,000	235,000	-	39,170	509,170
Cheryl Stanton Former Chief Legal Officer	2020	250,125	-	-	319,800(4)	569,925
	2019	261,000	30,000	-	27,500	318,500
Chad Scott President North Dakota Market	2020	194,083	172,424	-	23,887(5)	390,394

- (1) All other Compensation for 2020 includes SERP employer contribution (\$12,500), 401(k) matching contributions (\$12,000), and other one-time taxable payments (\$225).
- (2) All other Compensation for 2020 includes separation payments (\$428,000), country club dues (\$10,716), automobile allowance (\$3,250), and life insurance policy premiums (\$2,660).
- (3) All other Compensation for 2020 includes commissions on mortgage loan production (\$54,026), SERP employer contribution (\$20,000), 401(k) matching contribution (\$13,000), and other one-time taxable payments (\$1,018).
- (4) All other Compensation for 2020 includes separation payments (\$319,800).
- (5) All other Compensation for 2020 includes SERP employer contributions (\$12,500), 401(k) matching contributions (\$9,750), and other one-time taxable payments (\$1,637).

#### OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END

The following table sets forth, for each of the Named Executive Officers, information regarding equity awards outstanding at December 31, 2020.

Name	Option Awards				Stock Awards	
	Number of Securities Underlying Unexercised Options			Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested	Market Value of Shares or Units of Stock That Have Not Vested
	Exercisable	Unexercisable	Exercise Price			
Daniel Collins	-	-	-	-	-	-
Timothy J. Franz	-	-	-	-	-	-
Douglas Brendel	-	-	-	-	-	-
Cheryl A. Stanton	-	-	-	-	-	-
Chad Scott	-	-	-	-	-	-

## DIRECTOR COMPENSATION

The following table sets forth, for the year ended December 31, 2020, certain information as to the total remuneration paid to the Company's directors. We do not pay separate compensation to directors for their service on the Bank Board.

Name	Fees earned or paid in cash (\$)	Stock Awards (\$)	All other compensation (\$)	Total (\$)
Nathan P. Brenna	36,000	14,947	-	50,947
Gaylen Ghylin	38,000	14,947	-	52,947
John W. Palmer	45,000	14,947	-	59,947
Thomas Redmann	32,000	14,947	-	46,947
Tracy J. Scott	58,000	14,947	-	72,947
Michael M. Vekich	155,000	14,947	-	169,947

## BENEFICIAL OWNERSHIP

The following table sets forth as of March 31, 2021 certain information as to the common stock of the Company beneficially owned by (i) certain entities that are beneficial owners of more than 5% of the issued and outstanding common stock of the Company and are affiliated with directors of the Company, (ii) the directors and director nominees of the Company, (iii) the currently existing Named Executive Officers of the Company, and (iv) all current directors, director nominees and executive officers as a group. As of March 31, 2021, there were 3,545,356 shares of common stock issued and outstanding. Additional information regarding the beneficial owners of more than 5% of the issued and outstanding common stock of the Company at December 31, 2020 may be found in the Company's FR Y-6 (Annual Report of Holding Companies) located on the website of the OTCQX at <https://www.otcmarkets.com>.

Name	Common Stock Beneficially Owned			Percent of Common Stock Owned <sup>(1)</sup>
	Shares Owned	Shares Which May Be Acquired Within 60 Days	Total Shares Beneficially Owned	
<i>5% Shareholders</i>				
PL Capital Advisors, LLC	338,830	3,349	342,179 <sup>(2)</sup>	9.65%
<i>Directors</i>				
Nathan Brenna	780	4,193 <sup>(3)</sup>	4,973	*
Gaylen Ghylin	17,478	8,007 <sup>(4)</sup>	25,485	*
John Palmer	338,830	3,349	342,179 <sup>(5)</sup>	9.65%
Thomas Redmann	780	217 <sup>(6)</sup>	997	*
Tracy Scott	22,447	0	22,447	*
Michael Vekich	780	0	780	*
<i>NEOs</i>				
Daniel Collins	3,966	0	3,966	*
Douglas Brendel	2,592	0	2,592	*
Chad Scott	1,544	0	1,544	*
<i>All Current Directors, Director Nominees and Executive Officers as a Group (13 persons)</i>				
	452,903	15,766 <sup>(7)</sup>	468,669	13.22%

\* Represents beneficial ownership of less than 1% of our outstanding shares of common stock.

(1) The percent was calculated based on 3,545,356 shares of common stock issued and outstanding as of March 31, 2021.

(2) Includes shares owned by PL Capital Advisors, LLC or its associates or affiliates. John W. Palmer is a managing member of PL Capital Advisors, LLC and therefore may be deemed to beneficially own these shares. Also includes 880 shares directly owned by John W. Palmer and 3,349 common stock equivalents credited to Mr. Palmer’s deferred stock account under the BNCCORP, INC. Deferred Compensation Plan for Directors.

(3) Includes 4,193 common stock equivalents credited to Mr. Brenna’s deferred stock account under the BNCCORP, INC. Deferred Compensation Plan for Directors.

(4) Includes 8,007 common stock equivalents credited to Mr. Ghylin’s deferred stock account under the BNCCORP, INC. Deferred Compensation Plan for Directors.

(5) Includes shares owned by PL Capital Advisors, LLC, or its associates or affiliates. John W. Palmer is a managing member of PL Capital Advisors, LLC and therefore may be deemed to beneficially own these shares. Also includes 880 shares directly owned by John W. Palmer and 3,349 common stock equivalents credited to Mr. Palmer’s deferred stock account under the BNCCORP, INC. Deferred Compensation Plan for Directors.

(6) Includes 217 common stock equivalents credited to Mr. Redmann’s deferred stock account under the BNCCORP, INC. Deferred Compensation Plan for Directors.

(7) Includes 15,766 common stock equivalents under the BNCCORP, INC. Deferred Compensation Plan for Directors.

## **PROPOSAL 2: RATIFICATION OF INDEPENDENT AUDITORS**

Upon the recommendation of the Audit Committee, the Board has again appointed CliftonLarsonAllen LLP (“CLA”) to act as the independent auditor for BNC for the fiscal year ended December 31, 2021.

Although it is not required to do so, our Board of Directors wishes to submit the selection of CLA for ratification by our stockholders at the Annual Meeting on a non-binding basis. Even if this selection is ratified by our stockholders at the Annual Meeting, our Audit Committee and Board may, in their discretion, change the appointment at any time during the year if it determines that such a change would be in the best interests of BNC and our stockholders. If our stockholders do not ratify the selection of CLA, our Audit Committee and Board will reconsider whether to retain CLA or appoint another independent auditor.

### **FEES PAID TO OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMS**

During the 2019 fiscal year, KPMG acted as the independent registered public accounting firm through September 16, 2019. Effective September 17, 2019, CLA acted as the independent registered public accounting firm for the Company for the fiscal years ended December 31, 2019 and December 31, 2020 and performed the Company’s audit services for the fiscal years 2019 and 2020. The following table describes services rendered by each of KPMG and CLA to the Company, and fees paid by the Company to each of KPMG and CLA for such services, for the fiscal year ended December 31, 2019 and also describes services rendered by CLA to the Company and fees paid by the Company to CLA for such services for the fiscal year ended December 31, 2020.

<b>Services Rendered</b>	<b>2020</b>	<b>2019</b>
Audit Fees <sup>(1)</sup>	\$ 100,000	\$ 97,030
Audit-Related Fees <sup>(2)</sup>	\$ 10,250	\$ 10,000
Tax Fees	\$ 0	\$ 0
All Other Fees <sup>(3)</sup>	<u>\$ 49,606</u>	<u>\$ 75,283</u>
Total	\$ 159,856	\$ 182,313

(1) Audit fees consisted of the annual audit of our consolidated financial statements and audits of compliance with HUD assisted programs.

(2) Audit-Related fees consisted of employee benefit plan audits.

*(3) Includes fees for all other audit related services and out of pocket expenses.*

**THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS A VOTE “FOR” RATIFICATION OF THE APPOINTMENT OF CLIFTONLARSONALLEN LLP.**

**AVAILABILITY OF YEAR END FINANCIAL REPORT**

The Company’s common stock is currently traded on the OTCQX, the marketplace operated by OTC Markets Group, under the trading symbol “BNCC”.

The Notice of Annual Meeting of Stockholders, this Proxy Statement for the Annual Meeting of Stockholders and the Company’s Annual Report for the fiscal year ended December 31, 2020 are available at [www.virtualshareholdermeeting.com/BNCC2021](http://www.virtualshareholdermeeting.com/BNCC2021) and on the website of the OTCQX at <https://www.otcmarkets.com>. A hard copy of the Notice of Annual Meeting of Stockholders, this Proxy Statement and Annual Report will be provided without charge upon written request to Tracey Herschman, Corporate Secretary, BNCCORP, INC., 322 East Main Avenue, Bismarck, ND 58501, or by calling (612) 305-2214.

**STOCKHOLDER PROPOSALS, NOMINATIONS AND COMMUNICATIONS WITH THE BOARD OF DIRECTORS**

**STOCKHOLDER PROPOSALS AND DIRECTOR NOMINATIONS**

Director nominations and stockholder proposals not included in proxy mailings may be submitted for the 2022 Annual Meeting of Stockholders if they meet the timing and information requirements set forth in BNC’s bylaws. Stockholders must deliver notice of a proposal or director nomination to the Company’s Corporate Secretary between February 24, 2022 and March 26, 2022, but if the 2022 Annual Meeting of Stockholders is not held on a date that is within 30 days before or after the anniversary of the Annual Meeting, then the deadline is ten days after the earlier of the date that: (i) public disclosure of the date of the 2022 Annual Meeting of Stockholders was made; or (ii) notice of the date of the 2022 Annual Meeting of Stockholders was mailed. Stockholders can nominate directors at the 2022 Annual Meeting of Stockholders if the nomination: (i) is submitted to BNC’s Corporate Secretary by the deadline set forth above; and (ii) satisfies the informational and other requirements in the bylaws of BNC as determined by the Board. BNC reserves the right to vote all proxies as it determines in its discretion on any stockholder proposals or nominations, pursuant to authority provided on the proxy card.

**PROCEDURES REGARDING DIRECTOR CANDIDATES RECOMMENDED BY STOCKHOLDERS**

The Board will consider director nominees recommended by stockholders in accordance with the Policy on Security Holder Recommendations of Candidates for Election as Directors established by the Board (the “Policy for Director Recommendations”). A copy of the Policy for Director Recommendations is available on the Company’s website at [www.bnccorp.com](http://www.bnccorp.com).

Generally, a stockholder who wishes to recommend a person or persons for consideration by the Board as a nominee for election to the Board must send a written notice by mail, c/o Tracey Herschman, Corporate Secretary, BNCCORP, INC., 322 East Main Avenue, Bismarck, ND 58501, that sets forth (i) the name, age, business address and residential address of each person proposed for nomination; (ii) the principal occupation or employment of such person; (iii) the class and number of shares of capital stock of BNC of which such person is the beneficial owner; and (iv) any other information relating to such person that would be required to be disclosed in a proxy statement prepared in accordance with Section 14 of the Securities Exchange Act of 1934 and the rules and regulations thereunder had such nominee been nominated by the Board, including any information necessary to determine whether such person satisfies applicable independence standards. Stockholder recommendations will be considered only if received not more than 150 days and not less than 120 days in advance of the first anniversary of the date on which the Company’s proxy statement for the preceding year’s meeting was mailed to stockholders (on or after December 11, 2021 but no later than January 10, 2022 with respect to recommendations for nominees to be considered at the 2022 Annual Meeting of Stockholders).

## **STOCKHOLDER COMMUNICATIONS WITH DIRECTORS**

Stockholders may communicate with the Board of Directors or any individual director by sending a letter to Tracey Herschman, Corporate Secretary, BNCCORP, INC., 322 East Main Avenue, Bismarck, ND 58501. Ms. Herschman will forward the stockholder's communication directly to the appropriate director or directors.

## **OTHER MATTERS**

The cost of soliciting proxies will be borne by the Company. The solicitation will be primarily by mail. In addition to the use of mail, some of the officers, directors and regular employees of the Company and its subsidiaries may solicit proxies by telephone, e-mail or personal interview without additional compensation therefor. The Company will reimburse banks, brokerage houses and other institutions, custodians, nominees and fiduciaries for reasonable expenses in forwarding proxy material to their principals.

Regardless of the number of shares you hold, it is important that your common stock be represented at the Annual Meeting to establish a quorum. You are strongly encouraged to date and sign your proxy or voting instruction card and return it without delay in the enclosed pre-postage paid return envelope, even if you plan to attend the Annual Meeting.

By Order of the Board of Directors

Tracey Herschman  
*Corporate Secretary*

Bismarck, North Dakota  
May 7, 2021